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United States Department of Agriculture
Agricultural Adjustment Administration

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U. S. Department of Agriculture

February 21, 1938

To the Teachers of Vocational Agriculture,
Southern Region.

Dear Teacher:

Farm legislation which continues and strengthens the A.A.A. Soil Conservation Program has been signed by the President of the United States. As rapidly as possible, information is being compiled for your use in informing the farmers of your community about the 1938 Agricultural Program. For your immediate information some of the main features of the 1938 Program are as follows:

(1) Under the 1938 Agricultural Conservation Program farm acreage allotments will be established for the following crops: cotton, tobacco, wheat, rice, and in commercial areas, peanuts and potatoes. A total soil-depleting acreage allotment will also be established for each farm. Conservation payments will be made for keeping within the soil-depleting acreage allotments and for achieving the soil-building goal established for the farm. If the conservation payment computed for a producer with respect to a farm is less than \$200, the payment will be increased.

(2) If approved by producers, cotton marketing quotas will set up a cotton marketing limit for each farm, and cotton produced and sold in 1938 in excess of this limit will be subject to a penalty of two cents on each pound of this excess. All the cotton produced on the farm's cotton acreage allotment and all cotton carried over from the 1937 season may be sold without penalty. Penalties will not apply to cotton produced on farms which have an acreage allotment where the total production does not exceed 1,000 pounds of lint cotton.

(3) The marketing quota for tobacco, if approved by producers, will be on a poundage basis. For flue-cured tobacco the marketing quota for the farm will not be less than the smaller of either (1) 3,200 pounds or (2) the average tobacco production plus the diverted production for the farm during the years 1935, 1936, and 1937. As in the case of cotton, marketing quotas on tobacco will not be in effect unless approved by producers.

(4) The cotton and tobacco marketing quotas will limit the amount of cotton and tobacco that may be sold without penalty by both the non-cooperator and cooperator. Cotton loans will not be available in 1938 unless producers approve cotton marketing quotas. Those who knowingly overplant their cotton acreage allotments will lose all conservation payments, 1937 cotton price adjustment payments, and will be unable to obtain a cotton loan except on the cotton produced in excess of their cotton marketing quota and then only at a rate of 60 percent of the rate available to cooperators.

(5) The Act provides that conservation payments will be divided among

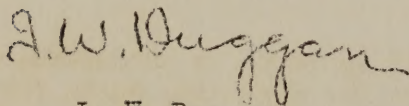
landlords, tenants, and share-croppers in the same proportion as they divide the crop on which the payment is made, except that payments based on soil-building, or soil-conserving practices will be divided in proportion to their contribution in carrying out these practices.

As you may see from the above provisions, opportunity is offered you for getting farmers to carry out a great many soil-conserving practices and to improve their standard of living through the use of former cotton, tobacco, rice or wheat acres for food, and soil-conserving, feed crops. Though vocational teachers have been in no way officially responsible for the administration of the Agricultural Programs, they held 18,000 meetings in 1934 and, through these meetings, reached some 750,000 farmers. This same work has been done ever since 1933 when the first agricultural program was put into operation and has contributed greatly to the success of these programs.

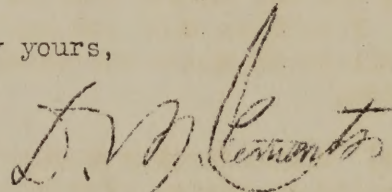
It is our sincere hope that you will make every effort to inform the farmers of your community of the provisions of the 1938 Agricultural Program so that they may intelligently vote in the referendum to be held on March 12, and that they may intelligently use the provisions of the program in solving some of their farm problems. Charts and leaflets bearing on the 1938 Agricultural Program and on the conditions which were considered in formulating the Program, have been made available to you within the past few months. The following additional leaflets will be available for your use: (1) Questions and Answers on the Agricultural Adjustment Act of 1938 as it applies to Cotton; (2) Questions and Answers on Tobacco Marketing Quotas; (3) An Explanation of the 1938 Agricultural Program.

Each of these leaflets will be sent you as soon as it can be assembled and distributed.

Very truly yours,



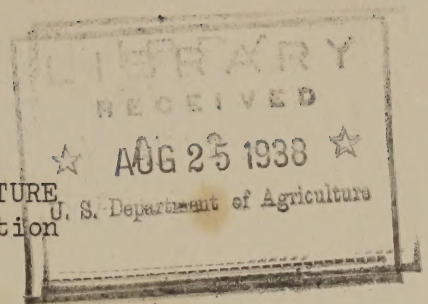
I. W. Duggan,
Acting Director, Southern Division.



D. M. Clements,
Federal Agent, Agricultural Education.

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UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Adjustment Administration
Washington, D. C.



August 13, 1938

TO ALL CROP INSURANCE SUPERVISORS:

By the time you receive this letter, there will remain only about 15 working days before the cut-off date for accepting applications. Much remains to be done in this short time if your county is to turn in the number of applications that it should.

The efficiency of the county personnel in the Insurance Program, as in all others, is going to be determined largely on the amount of tangible results obtained. If a county supervisor does not believe that crop insurance is one of the safest and sanest programs ever offered by the Department of Agriculture, he will have a hard time convincing the farmer that he should participate in the program, but if he believes, as we do, that crop insurance is fundamentally sound and is destined to become a great stabilizing influence in his community, he will have no trouble in securing a good number of applications from his county.

In your contacts with the farmers in the county, no doubt several of them have shown a real interest in crop insurance. Don't wait for them to come to the county office to sign up. It is suggested that you contact them at home and get the application completed and on the way to the State office.

One of the keys to the success of the Insurance Program is the speed with which work flows from the county office to the State office; on to the branch office and back again. Delay has always been a point of criticism. Do your part and let the criticism, if any, fall elsewhere.

In some counties, the objection is made that the rates are apparently too high. The Crop Insurance Corporation worked out the rates on the very best material available and they were approved by some of the best actuarial talent. They are based on the loss experience of the farm and are designed to accumulate only enough reserve to pay the losses on the farm. In other words, the farmer should receive from the Corporation as much in the form of indemnities as he has paid to the Corporation in the form of premiums. There will be no adjustment in rates until experience indicates that adjustments are advisable.

When applications are written, we must remember that the job is only half done. When premium notices are received, you should make a special effort to see the applicant and encourage him to pay the premium in the specified time and get a policy issued. The latest available reports from the branch offices indicate that over 4,000 premium notices have been mailed and less than 400 policies have been written. This indicates that the necessary "follow-up" work has not been done by the county offices.

If you have problems that you cannot work out, get in touch with your State office immediately. This office stands ready to help either the State or county offices at any time. The main thing is to get the job done in the allotted time. I know you can do it.

With very best wishes, I remain

Very truly yours,

I. W. Duggan

I. W. Duggan,
Director, Southern Division.